

DEPARTMENT OF STATE REVENUE

**LETTER OF FINDINGS NUMBER 93-0251 CSET
Controlled Substance Excise Tax
For Tax Period September 16, 1992**

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ISSUE

1. **Controlled Substance Excise Tax – Imposition**

Authority: IC 6-7-3-5.

The taxpayer protested the assessment of Controlled Substance Excise Tax.

STATEMENT OF FACTS

The taxpayer was arrested for possession and dealing of an illegal substance. The substance was tested and was in fact a controlled substance, marijuana. The net weight was 3515 grams. The Indiana Department of Revenue served the taxpayer with the CSET assessment and jeopardy demand notice on September 23, 1992. The tax warrants were issued to the sheriff for collection; no bank levies were issued at that time. Taxpayer filed a protest to the assessment on February 8, 1993. A hearing on the protest was scheduled August 12, 1998. The taxpayer was notified of the hearing at his last known address. The taxpayer has had several telephone conversations with the hearing officer.

DISCUSSION

1. **Controlled Substance Excise Tax – Imposition**

IC 6-7-3-5 imposes the Controlled Substance Excise Tax on the delivery and possession of marijuana in the State of Indiana. The Taxpayer alleged that the charges against him were dropped. The taxpayer also alleged that the dismissal of the possession and dealing cases indicated that the prosecutor did not believe he actually had possession of the illegal substance. The taxpayer also alleged that he is penniless and will remain so until he can resolve this. The taxpayer did not meet his burden of proof to overcome the statutory presumption that the proposed assessment is valid.

FINDINGS

The taxpayer's protest is denied.